

**UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK**

HC2, INC.,

Plaintiff,

v.

ANDREW DELANEY,

Defendant.

Civil Action No.: 20-cv-3178 (LJL)

**DECLARATION OF JOAN DAVISON IN
SUPPORT OF HC2'S OPPOSITION TO
PLAINTIFF'S MOTION TO DISMISS
PURSUANT TO FED. R. CIV. P. 12(b)(1)**

I, Joan Davison, declare as follows:

1. I am the Chief Executive Officer ("CEO") of Plaintiff HC2, Inc. ("HC2"). I am a legal resident of Illinois.

2. I have personal knowledge of all the facts stated herein based on my personal knowledge and my review of Plaintiff's records.

3. HC2 is a national legal staffing company that recruits and provides temporary legal staff such as attorneys, paralegals, and other legal professionals. It also provides managed review services, which consists of assigning document review personnel as well as providing secure review facilities, IT infrastructure, and project management personnel for document review projects on behalf of its customers, including law firms, corporations and government agencies.

4. As of April 2020, HC2 had several office locations throughout the United States, including in (1) Boston, (2) Charlotte, (3) Chicago, (4) Los Angeles, (5) Morrisville, North Carolina, (6) New York, (7) Philadelphia, (8) San Francisco, (9) Southfield, Michigan, and (10) Washington, D.C.

5. I assumed my position as CEO on March 3, 2017 and primarily direct the company from my office in Chicago. Prior to March 3, 2017, the CEO of the company resided in New York

and primarily conducted HC2's business out of the New York office. Until my hire, New York was HC2's headquarters and for the first twelve months of my employment, I frequently traveled from my office in Chicago to the New York office. However, after my hire in 2017, I began the process of transitioning HC2's headquarters and many of our executive roles from New York to Chicago as part of HC2's overall business strategy. Due to this process, Chicago was HC2's headquarters on April 22, 2020 when HC2 commenced this action against Mr. Delaney.

6. First, HC2's hired a new Chief Financial Officer ("CFO"), Charles Nelson, on October 23, 2017. Mr. Nelson joined the executive management team of the Company in the Chicago Office upon the commencement of his employment. Mr. Nelson's retention coincided with his predecessor's departure from HC2 shortly thereafter on December 22, 2017. Mr. Nelson's predecessor worked out of the New York Office.

7. Through 2018 and 2019 the transition of executive management from New York to Chicago continued. HC2 moved the rest of the Finance Department from New York to Chicago by hiring a new Controller named Nancy Rausch on January 8, 2019. Ms. Rausch works from the Chicago office. Her predecessor worked out of the New York Office and separated from HC2 on July 20, 2018.

8. On January 9, 2018, the company hired a Managing Director of Operations, Nick Radoicic, who works in the Chicago office.

9. HC2 also moved the Human Resources Department and the Marketing Department from New York to Chicago through 2019.

10. HC2 hired a Director of Marketing to work in the Chicago office, Sharon Rizzo, on March 5, 2019. She separated with HC2 in June 2020 but she at all times during her employment

worked in the Chicago Office. Ms. Rizzo's predecessor worked out of the New York office and separated with HC2 in early 2019.

11. On April 16, 2019, the company hired Vice President of Human Resources, Patti Ayala, to work in the Chicago office. Ms. Ayala's predecessor worked out of the New York office and separated from HC2 on May 3, 2019.

12. HC2 also renovated its office space in Chicago between mid-2018 to early 2019 to accommodate these executives as part of the transition of its headquarters from New York to Chicago. Since their 2019 hiring in Chicago, my office has been within feet of those for the Vice President of Human Resources, as well as for the Controller.

13. As CEO, I also have ultimate decision-making authority with respect to HC2's business decisions. I made these decisions in Chicago at the time this action was commenced. Based on my personal knowledge, my executive management team in Chicago did the same. For example, since her 2019 hiring, the Vice President of Human Resources has overseen the creation and execution of human resources policies and decisions, as well as the administration of all employee benefits – all from Chicago.

14. With regard to management-related business, five out of the ten members of the Company's management team were based in Chicago on April 22, 2020, when this action was commenced. As stated, these individuals included the following:

- a. myself (CEO);
- b. Nancy Rausch (Controller); Ms. Rauch oversees financial reporting, external audits, payables and receivables, and banking;
- c. Patti Ayala; (Vice President of Human Resources);

- d. Nick Radoicic (Director of Operations); Mr. Radoicic oversees all operations on a national level, including vendor services that supplement client and candidate recruitment, recruitment for special attorney projects and e-discovery; and
- e. Sharon Rizzo (Director of Marketing);

15. Our Chicago-based CFO, Mr. Nelson, separated from the company prior to April 22, 2020. Mr. Nelson had been a member of the management team prior to his separation. A few months after Mr. Nelson's departure and before this action, the company began utilizing a consultant as interim CFO who works in the State of Minnesota on an as needed basis.

16. Three out of the remaining five management team members not based in Chicago work in a state other than New York, and did so on April 22, 2020. Those individual include the following:

- a. Denise Asnes (Senior Managing Director, National Fulfillment for Project Based Staffing) located in Philadelphia. Ms. Asnes manages all document review recruiters on a national level to ensure the proper recruitment and assignment of all document review personnel to projects across the company.
- b. Lani Mark (Director of Business Services) located in Washington, D.C. Ms. Mark manages the company's enterprise-wide applicant tracking and invoicing software systems and related systems.
- c. Todd Kunz (National Director of Managed Review Projects) located in North Carolina. Mr. Kunz manages and coordinates the companies document review resources based on client need, such as review space, computer hardware and project managers that are located across the country.

17. Out of the ten members of my management team only two were in the New York office as of April 22, 2020. These two were Andreana Nelson (Vice President of Sales) and Stephanos Zannikos (General Counsel).

18. Increasingly, since the transfer of the management to Chicago, and at all times through 2020, management meetings typically have taken place over the phone. However, when they are in person (prior to the onset of the pandemic), meetings have been conducted in any of HC2's offices, including in Chicago, New York, Florida and District of Columbia. Furthermore, while I have had an office in HC2's New York office since 2017, as of April 22, 2020, I spend the vast majority of my time in my office in Chicago. And when not in my Chicago office, I spend time at the various office locations of the company across the country. I have managed and conducted business out of the Chicago office, and interacted with HC2's executives in person in Chicago and for those individuals outside of Chicago via phone from my Chicago office.

19. Additionally, when this action was filed, most of HC2's functional and operational corporate departments operated out of Illinois, though HC2 had some corporate functions based in other States. The following are the locations of HC2's various departments as of April 22, 2020:

- Chicago
 - Office of the Chief Executive
 - Human Resources
 - Accounting
 - Finance
 - Operations
 - Marketing
 - Specialized Project Attorney (SPA) Recruitment
- New York
 - Legal
 - Sales
- Philadelphia
 - Project Based Staffing Recruitment

- Morrisville, North Carolina
 - Project Management

20. HC2 also maintains key corporate records primarily in electronic form or, as of the end of 2019, in its Chicago office. Such records include stock certificates and its insurance policies.

21. To the extent that HC2's public registrations identify New York and not Chicago as HC2's principal office (or simply where it wants to receive mail), this was either inadvertent, for business reasons because we have identified New York as the office in which we prefer to receive mail, a consideration guided in part by the fact that our General Counsel is located in New York. HC2 will be reviewing its public registrations and updating any necessary filings.

I declare under penalty of perjury that the above is true and correct, and that I executed this declaration this 9TH day of January 2021 in Chicago, Illinois.



JOAN DAVISON

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